

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

J G Edelen

GENEDGE ALLIANCE

Internet Venture Expands Operations for J.G. Edelen Company

Client Profile:

J. G. Edelen Company, Inc. is a diversified operation including manufacturing, importing, and distribution of hardware to furniture, cabinet, and related industries. Edelen's primary goal is to provide customers with quality hardware products at competitive prices, backed by superior customer service. The 85-year-old company operates from two locations on the east coast. Baltimore, Maryland is headquarters for manufacturing, warehousing and distribution, while the Martinsville, Virginia facility is a satellite warehouse/distribution center with approximately 12 employees.

Situation:

Edelen's business was negatively impacted by the closures of many U.S. based furniture manufacturers, their traditional customer base. To overcome this challenge, the company embraced the Internet for creating a new retail business. When Edelen began selling directly to consumers through its website, the company experienced rapid growth and was finding itself rapidly running out of warehousing space to satisfy the growing client base. This rapid growth was not only impacting warehouse space, but was also affecting order fulfillment and logistic processes. To address Edelen's growth issues, GENEDGE ALLIANCE, formerly Virginia's Philpott Manufacturing Extension Partnership (VPMEP), a NIST MEP network affiliate, was engaged to assist in a warehouse layout and order fulfillment improvement project.

Solution:

GENEDGE ALLIANCE's Project Manager Mark Oakes worked with Edelen to capture and create data that would provide the basis upon which to formulate new strategies for improvement. Working with Edelen, GENEDGE ALLIANCE provided: a) an analysis of the material storage data and present order picking strategy; b) a CAD drawing with the outline of the new building identifying the placement of racks and other areas such as bulk storage, shipping, receiving and office areas; and c) a list of the general type of equipment required to operate in the new building consistent with the storage and order picking requirements.

The analysis of data collected provided a quantitative-based solution to the existing situation in the warehouse. Oakes presented his analysis with recommendations to Edelen's management which proceeded with implementation of the overall improvements in the new warehouse layout and order picking process. As a result of GENEDGE ALLIANCE's assistance, Edelen opened a new 28,000-square-foot distribution center in an industrial park near its former Martinsville facility. It contains office and showroom space, along with warehousing space which allows for additional expansion.

Results:

* Realized \$25,000 in cost savings.

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- * Retained sales of \$5,000.
- * Invested \$1.8 million in plant, equipment, and training.

Testimonial:

"When we made the decision to build a new distribution facility, one of our primary goals was to achieve maximum efficiency from our physical warehouse layout and order picking processes. GENEDGE ALLIANCE was recommended to us as a valuable resource with expertise in this area. Our project manager was professional and responsive. In the end, we got a product from GENEDGE ALLIANCE that helped us to vastly improve the operating efficiency in our new warehouse operations. This was done in a timely manner and at a very reasonable price. We were very satisfied with their performance and services."

Jay Edelen, Vice President